



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 2, 2001

H.R. 427

A bill to provide further protections for the watershed of the Little Sandy River as part of the Bull Run Watershed Management Unit, Oregon, and for other purposes

As ordered reported by the House Committee on Resources on June 27, 2001

CBO estimates that implementing H.R. 427 would cost \$10 million in 2002, assuming appropriation of the authorized amounts. The bill could affect direct spending (including offsetting receipts); therefore, pay-as-you-go procedures would apply, but we estimate that any such impact would be negligible. H.R. 427 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

H.R. 427 would add about 2,890 acres of federal lands to the Bull Run Watershed Management Unit in Oregon and amend current law to prohibit timber harvesting within that unit. The bill also would require the reclassification of other public lands, but we estimate that those provisions would have no significant budgetary impact. Finally, H.R. 427 would authorize the appropriation of \$10 million for a grant to Clackamas County, Oregon, to support watershed restoration activities near the management unit. We expect that the grant would be made in 2002, assuming appropriation of the authorized amount.

Based on information from the Forest Service and the Bureau of Land Management, we estimate that prohibiting timber harvesting within the management unit would not significantly affect federal receipts and subsequent payments to states over the next 10 years. Under the bill, that prohibition would apply to roughly 7,000 acres of land where timber harvesting is currently allowed. According to the agencies, those lands currently generate no significant receipts, and the agencies do not expect them to generate significant receipts from timber harvests in the future.

On May 18, 2001, CBO transmitted a cost estimate for S. 254, similar legislation as ordered reported by the Senate Committee on Energy and Natural Resources on May 16, 2001. The two bills are identical, as are our cost estimates.

The CBO staff contact for this estimate is Megan Carroll. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.